



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt  
Governor

Lowell P. Braxton  
Division Director

October 7, 1998

William Stringer  
Assistant District Manager  
Bureau of Land Management  
Moab District Office  
82 East Dogwood Avenue  
Moab, Utah 84532

Re: Deficient Notice of Intention to Commence Small Mining Operations, NBS Mining (Deloy Shumway), Cougar #1 Mine, S/019/045, (UTU-76417) Grand County, Utah

Dear Mr. Stringer:

Thank you for forwarding the Notice for NBS Mining (Deloy Shumway)'s, Cougar #1 Project, located in the NE 1/4 NE 1/4 Section 6, T23S, R22E, SLBM, Grand County, Utah. The Division received this notice on September 11, 1998. Your agency's designated number for this project is UTU-76417.

The Division has evaluated the above mentioned Notice under the Small Mining Operation section of our Rules. The information provided in the notice meets the requirements of Rule R647-3 of the 1988 Division of Oil, Gas and Mining Minerals Rules. However, during the 1998 legislative session, the Utah Legislature authorized the collection of permit fees for new applications and existing permits in the Mineral Program to begin July 1, 1998. Therefore, the notice does not satisfy the requirements of the Utah Mined Land Reclamation Act of 1975, Title 40-8-7(i) Utah Code Annotated.

A \$100.00 permit applicaiton fee is required prior to the Division making a completeness determination authorizing commencement of the project. Once this permit fee is received, this notice will be considered complete. We will notify the operator of this permitting requirement by copy of this letter, along with a bill for the permit fee.

The notice proposes removal of existing waste rock piles to allow for stockpiling of uranium/vanadium ore. The ore will be extracted by surface mining of an area which includes existing waste piles, existing pits, and existing underground tunnels.

It is understood that the Division will notify your office of any permitting concerns we may have, and in turn, your office, acting as 'Lead Agency' will notify the operator accordingly. Please forward a copy of the enclosed SMO-NOI Summary, Operation and Reclamation Practices, as taken from Notice of Intention to Commence Small Mining Operations (form MR-SMO).

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William Stringer  
S/019/045  
October 7, 1998

The variance section of this notice was left blank. The Division will interpret this to mean that NBS Mining intends to comply fully with all the Operation and Reclamation Practices as described in the notice. Please note that variances are not required for features which are nonexistent at the project site. If NBS wishes to request a variance they will need to provide a written request to the Division within 30 days from the date of this letter. This request would include the particular practice which the operator cannot comply with and an explanation describing why they cannot comply. A documented site visit is typically required prior to operations to evaluate the justification for the variance. A variance request is not required for the practices which refer to features which are nonexistent at the project site.

Please provide us with a copy of your final completeness/approval letter to the operator. In addition, if you receive additional information or amendments for this operation, please notify us so we can update our files. Please reference our designated file number S/019/045 when forwarding additional information on this project to us.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony A. Gallegos", with a stylized flourish at the end.

Anthony A. Gallegos  
Senior Reclamation Specialist

jb  
Enclosure: SMO-NOI Summary  
cc: Roger L. Bon, UGS  
DeLoy Shumway, NBS Mining , w/encl & bill  
Tracking File  
S019045.noi